

THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D. C. 20505

National Intelligence Officers

NFAC No. 6741-81/1  
28 October 1981

25X1 MEMORANDUM FOR: [REDACTED]  
Chairman, National Intelligence Council

25X1 FROM : [REDACTED]  
National Intelligence Officer at Large

SUBJECT : SIG Meeting 28 October on Yamal and Oil/Gas Controls

1. This afternoon's meeting is to discuss
  - ° The State strategy paper on Yamal energy alternatives and
  - ° The related issue of a US embargo on oil/gas technology
2. The State strategy paper (Tab A) sets forth US objectives and means available to achieve them -- including the controversial proposal of a US denial of compressor components. On this issue, see [REDACTED] 25X1  
memo [REDACTED] 25X1  
(Tab B) and a more detailed report [REDACTED] (Tab C). This 25X1  
issue is almost certain to be debated.
3. On the larger issue of US export controls on oil/gas equipment and technology, CIA was tasked by Alan Lenz to produce two papers:
  - ° An assessment of the impact on Soviet oil/gas production of the imposition of a unilateral US embargo and of a multilateral COCOM embargo. The paper is still in final process but will be included in this package at Tab D.
  - ° An assessment of likely Allied responses to a US initiative to impose such an embargo and a country-by-country review of political costs that might be engendered. NFAC's hard-hitting paper is at Tab E.

Neither of these two papers will have been circulated to the other SIG members. You may wish to summarize or otherwise reflect on their findings at the meeting.

4. In view of the inability of last Thursday's drafting session to bridge differences between State and Defense, Alan Lenz is apparently himself putting together an informative paper for the President, drawing on agency inputs. An NSC meeting would be scheduled subsequently. If agreement can be reached, a high-level State-led team would then visit selected European capitals to present the US views to the Europeans.

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Attachment  
a/s

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